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DRAFT

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MR. PRESIDENT:

A key point in determining the nature of the military course of action upon which we are about to embark is the extent to which the build-up will depend upon reservists and reserve units. The Interdepartmental Coordinating Group raises this issue in suggesting consideration of a third alternative course of action in the paper before the NSC today. This "Third Course" would call for a substantial increase to the Defense budget but would use this money for a permanent increase in the military establishment justified by the over-all world situation. In contrast, the Defense plan (Course A in the Interdepartmental Coordinating Group paper) would spend about 2 billion for permanent establishment and 2.3 billion for reserve forces as a transitory increase in strength related to Berlin.

The "Third Course" seems to me to have much to recommend it. There are three increments of increased military readiness which need to be taken into account:

- a. Measures to correct deficiencies in our present forces (Deferred maintenance) ..
- b. Measures to raise our permanent military strength as a result of the world-wide situation.
- c. Measures beyond a and b needed to cope with Berlin.

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This afternoon it may be useful to pose such question as follows:

- a What part of the Department of Defense program is regarded as permanent; how much is related only to Berlin?
- b What is the proposed manpower increase? How many are reservists?
- c Why not put all our money now into strength which we need on an indefinite basis?

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